No Objection To Declassification in Full 2012/02/13: LOC-HAK-53-2-7-3

MEMORANDUM

INFORMATION - 4841

NATIONAL SECURITY COUNCIL

SECRET

October 16, 1974

DOS REVIEWED 16-Feb-2011: NO OBJECTION TO DECLASSIFICATION.

MEMORANDUM FOR:

GENERAL SCOWCROFT

FROM:

DAVID ELLIOTT & E.

SUBJECT:

Clearances for US-USSR Talks

on Nuclear Safeguards

REFER TO DOS

DOE REVIEWED 15-Dec-2010: NO OBJECTION TO DECLASSIFICATION.

You requested concurrences from the AEC and DOD on the State approved cable to Stoessel (Tab B) giving instructions for his discussion with the Soviets on nuclear safeguards. Dixy Lee Ray has cleared (Tab A) and I understand that Clements concurred by phone to you. The cable has been dispatched.

Dixy also urges that similar bilaterals be undertaken with the French (and possibly the UK) but warns that we must be prepared to accept effective French safeguards outside the IAEA structure if we are to hope to obtain their cooperation. (You recall that she sent out feelers regarding improving safeguards to her French counterpart at the recent IAEA meeting in Vienna, and later reported to you and Ingersoll that there seems to be some possibility for a more cooperative French position.)

NSDM 255 and the recommendations of NSSM 202 all point toward the bilateral and multilateral talks and agreements that Dixy proposes, and so there is no necessity for establishing a further policy base. We should get on with talks.

Finally, Dixy also asks (plaintively) that AEC be involved in the planning and conduct of international consultations on nuclear safeguards. Clearly this is an interagency matter and should draw on the views and resources of several agencies. I hope we can keep it on that track.

SECRET/GDS

John W

Elliott - UR (No Objection To Declassification in Full 2012/02/13: LOC-HAK-53-2-7-3

ATOMIC ENERGY COMMISSION

WASHINGTON, D.C. 20545

October 15, 1974

OFFICE OF THE CHAIRMAN

Lieutenant General Brent Scowcroft, USAF Deputy Assistant to the President for National Security Affairs

Dear General Scowcroft:

Thank you for the opportunity to review your memorandum of October 12, 1974, on the subject nuclear safeguards consultations with the USSR. I am most interested and certainly concur in the proposed instructions. I would like to suggest that a similar private bilateral discussion be held with the French and possibly also with the appropriate individuals in the United Kingdom before the proposed conference of nuclear exporting countries take place. I believe that this should be particularly important in the case of France.

Secondly, I should like also to suggest that wherever IAEA safeguards are referred to, we acknowledge that similar procedures with appropriate guarantees, of course, could achieve the same objective as IAEA. This latter point is one to which France is especially sensitive and I believe that they would be willing to follow a parallel course to the same objective even though at present they will strenuously resist accepting IAEA.

Concerning the proposed meeting with nuclear exporting nations, I trust that the Atomic Energy Commission will be included in the planning for that important affair.

Please do not hesitate to call upon us for any activity or information where we may be of assistance.

Sincerely,

Chairman

SECRET/NODIS

Instructions for Nuclear Safeguards Consultations with Soviets

The following instructions are approved for consultations on nuclear safeguards with the Soviets, beginning October 15, 1974, in Moscow.

I. The USG appreciates the Soviet note, which states that it is "desirable and expedient to work out a common approach" to ensuring that nuclear exports are not used to produce nuclear weapons. In this connection, we share the USSR view of the importance of preventing the spread of nuclear weapons, supporting the Non-Prolifer-preventing the spread of nuclear weapons, supporting the Non-Proliferation Treaty (NPT) and securing as wide an application of IAEA safeguards as possible.

Scope of Effort

- 2. Maintaining an effective system of international safeguards is an essential part of any non-proliferation program. The successful outcome of discussions among nuclear suppliers on implementation of Article III.2. of the NPT (Zangger Committee), in which the USSR played a constructive role, was an important step in achieving common nuclear export policies.
- 3. Building on this result, the USG wishes to discuss with the USSR the desirability of achieving complementary, but somewhat broader agreement on nuclear export guidelines to include nuclear suppliers who did not participate in the NPT implementation discussion, and to include export policies or restraints not specifically covered in Zangger (Nuclear Exporters') Committee guidelines. The attached paper [Tab A, to be given to the Soviet representatives] describes the type of export policies which might be discussed.

Multilateral Approach

4. Such common understanding among nuclear suppliers to further guidelines for nuclear export policies would, as in the case of the Zangger Committee, maximize the effectiveness of these policies. Many third countries are exporters of nuclear material and equipment. Given this situation, it is both logical and desirable to proceed multi-laterally on the basis of careful prior consultations with key nuclear suppliers.

5. One possibility for achieving multinational export policy understandings would be to hold a small, private conference of major nuclear suppliers. This conference could include the USSR, US, Canada, FRG, France, Japan and UK — the key suppliers at present. We would appreciate hearing the views of the USSR on this possibility.

Discussion of US Paper (Tab A)

- 6. Regarding the first point in our paper, the USG thinks it is particularly important for all suppliers to make clear their continued determination not to contribute to any nuclear explosive programs, either directly or through export of nuclear equipment, materials and technology.
- 7. Regarding our second point, we believe the US and USSR should support the uniform application of IAEA safe-guards by supplier nations on nuclear exports and should maintain, and augment where possible, their vital political, financial and technical support for IAEA safeguards.
- 8. Regarding our third and fourth points, we believe it highly important to recognize and guard against the proliferation potential of transfers of weapons-grade material and independent national control of uranium enrichment and chemical reprocessing equipment; moreover, we believe that significant economies of scale can be obtained from multinational plants while furthering our non-proliferation objective. We also strongly support international measures (especially in the IAEA) to upgrade the physical protection of nuclear materials and facilities. We suggest the fifth point in the recognition that in addition to the global dangers of nuclear proliferation, there are particular areas of conflict and instability in the world which justify the imposition of stringent conditions to minimize the accumulation of plutonium and other special nuclear material.
- 9. With respect to all of these points, and particularly to those relating to strengthened safeguards over nuclear supply, we conclude that a multilateral approach is essential and that the proposed conference could play a constructive role in achieving consensus among nuclear exporters.

Contingency Guidance

10. [If the Soviets continue to emphasize a bilateral approach to the problem, possibly criticizing implicitly

opponents of the non-proliferation objective (e.g., the PRC).] While we value close bilateral consultations with the USSR, a bilateral approach in this field could be easily resisted or circumvented by other key suppliers and would therefore be solf-defeating. In undertaking these efforts, it will be indispensable to their success to concentrate on achieving maximum consensus among the major nuclear suppliers and, to the extent possible, not to provoke attacks from potential critics of our policies.

- preferential treatment for NPT parties, associated with NPT adherence and the May 1975 Review Conference.] We will continue to discuss these issues with the USSR at the preparatory meetings for the NPT Review Conference, at the IAEA and in subsequent bilateral discussions as appropriate. At this juncture, however, we would prefer to limit our discussions to the urgent question of strengthening international safeguards.
- 12. [If the Soviets indicate interest in NPT Article V questions.] We have no views to express on this subject at this time, but we expect to discuss this issue with Soviet representatives in other talks.
- 13. [If the Soviets desire further explanation of the stringent conditions the US proposes for reactor sales to Egypt and Israel, in connection with point five of Tab B.] We are negotiating with Israel and Egypt contract terms, including controls over nuclear materials, which are considerably stricter than the normal IAEA safeguards associated with the NPT, taking into account the sensitivity of the region. In particular, we have proposed the following requirements: a US veto over where reprocessing, fabrication, and storage of plutonium take place, and our intention that these be done outside of the country involved; the explicit exclusion of use of supplied material for any nuclear explosive device; an assurance that all future imports be covered by IAEA safeguards and not be used for any explosive device; and the inclusion of physical security provisions in the agreement.
- 14. [If the Soviets indicate that there should be greater political balance in conference participation.]
 The criterion for participation in such a conference would

be technical rather than political. Other potential candidates do not have the nuclear export capabilities of the participants we have suggested. While this would be a conference of major suppliers, we would expect to consult all suppliers to assure that a fully effective, international safeguards system is instituted. Such a conference would play a constructive part in assuring more widespread efforts by all nuclear industrial states.

15. [If the Soviets wish to consult on follow-on preparations for the proposed suppliers' conference.] We plan to pursue the question of the proposed suppliers' conference with other key suppliers, and we would like to conference with other key suppliers, and we would like to be in close contact with you on further developments in the next few weeks.

Potential Common Nuclear Export and Safeguards Policies

The USG envisons undertakings among suppliers to establish common restraints and conditions on nuclear supply, with a view to minimizing the risks of nuclear weapons proliferation. We are considering a small, private conference of key suppliers as a means of working out such understandings. All suppliers would of course be free to apply more restrictive policies.

Suggested Policies for Discussion

- 1. Nuclear cooperation would be undertaken with nonnuclear weapon states only under agreements as to peaceful uses, which would explicitly exclude use in any nuclear explosive devices.
- 2. Nuclear supply would be undertaken only when covered by TAEA safeguards, with appropriate provisions for duration and coverage of produced nuclear material.
- 3. Supply of weapons-grade material, or of uranium enrichment or chemical reprocessing equipment or technology, to non-nuclear weapon states should be subject to special restraint. Such special restraint might include supply only for multinational enterprises, or only to those non-nuclear weapon states which have made a general commitment to non-proliferation, and which have accepted TAEA safeguards on their entire nuclear fuel cycle.
- 4. Nuclear supply would include appropriate requirements for the physical protection of materials and facilities against theft, seizure or sabotage.
- 5. Stringent conditions might be developed on the supply of sensitive nuclear material, equipment, or technology to countries or regions where such exports would contribute to particular risks of conflict or instability.

The above list of possible policies is intended to illustrate the types of issues where understandings might be reached. It is not intended to represent an exhaustive examination of the issues.

CONFIDENTIAL

'શુક્ષું પ્રતામુક્ષ પ્રાપ્ત કરાયું પત્ર તૈકા કુલસીસે લાગ એક કુંગ્રહા અમેકિસ્કૃષ્ટ હામ કરો મેટ અસિક્ફિક્ષેય અસિક્ફિક્ષ

Tab b

No Objection To Declassification in Full 2012/02/13 : LOC-HAK-53-2-7-3

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Excerpt on Possible Agenda for Safeguards Consultations from US Note of August 30, 1974

Restrictions on the supply of sensitive enrichment technology, such as techniques for the design of barriers in gaseous diffusion plants.

Restrictions on the technology for independent national reprocessing facilities, including procedures and equipment for commercial-scale separation of plutonium from irradiated fuel elements.

Restrictions on the supply of sensitive nuclear material or equipment to specified areas such as the Middle East. This would include plutonium, highly enriched uranium (weapons grade), enrichment and reprocessing facilities, high temperature gas-cooled reactors, breeder reactors, and fuel fabrication plants using highly enriched uranium or plutonium.

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Soviet Note (September 21, 1974)

negotiations concerning guarantees against possible use of atomic reactors, transferred to third countries, for the purpose of creating nuclear weapons has been carefully considered in Moscow.

On our part, we always took and are taking appropriate measures so that under no pretext the proliferation of nuclear weapons was allowed. At the same time, proceeding from our position of principle aimed at enhancing the regime of nuclear weapons non-proliferation, we would believe it desirable and expedient to work out a common approach by our two countries to the question of strict guarantees against possible use of atomic reactors, transferred to third countries, for the purpose of creating nuclear weapons. Such common approach would in future facilitate the elaboration and adoption of an appropriate international agreement on that matter.

Accordingly, we are prepared to hold bilateral Soviet-American negotiations for discussing that problem. At those negotiations, should be, in our view, also considered a possibility of working out other practical measures and actions aimed at providing for more effective and universal application of the Treaty on non-proliferation of nuclear weapons. The achievement of appropriate understanding on that matter between our countries would be of special significance in connection with the forthcoming Conference next year on the effect of that Treaty.

Taking into account the necessity of more detailed preparation for the negotiations, we propose that they start on October 15, 1974 in Moscow. We proceed from the assumption that those talks will be of confidendial nature.